

## § 19.983

(3) Where the format or arrangement of the record is such that the information is not clearly or accurately reflected, the regional director (compliance) may require a format or arrangement which will clearly and accurately reflect the information.

(4) Entries required by this subpart to be made into records will be made on the day on which the operation or transaction occurs. However, these entries may be deferred until the third business day succeeding the day on which the operation or transaction occurs when the proprietor prepares commercial records concurrent with the individual operation or transaction.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

## § 19.983 Spirits rendered unfit for beverage use in the production process.

Where spirits are rendered unfit for beverage use before removal from the production system, the proprietor shall enter into the production records, in addition to the quantity and proof of spirits produced, the kind and quantity of materials added to each lot of spirits. In such a case, a separate record under § 19.985 is not required. The quantity of spirits produced will be determined by subtracting the quantity of materials added to render the spirits unfit for beverage use from the quantity of fuel alcohol produced and multiplying the resulting figure by the proof of each lot of spirits. The proprietor shall determine the proof of each lot of spirits. The proprietor shall procure a representative sample of each lot, prior to the addition of any material for rendering the spirits unfit for beverage use, and proof the sample in accordance with the provisions of § 19.980(a). This paragraph applies to in-line addition of materials and to systems in which, before any spirits come off the production equipment, the proprietor adds materials for rendering the spirits unfit for beverage use to the first receptacle where spirits are to be deposited.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207); sec. 232, Pub. L. 96-222, 94 Stat. 278 (26 U.S.C. 5181))

## 27 CFR Ch. I (4-1-03 Edition)

### § 19.984 Record of spirits received.

The proprietor's copy of the consignor's invoice or other document received with the shipment, on which the proprietor has noted the date of receipt and quantity received, constitutes the required record.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

### § 19.985 Record of spirits rendered unfit for beverage use.

The proprietor shall record the kind and quantity of materials added to render each lot of spirits unfit for beverage use and the quantity of fuel alcohol manufactured (which may be given in wine gallons).

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

### § 19.986 Record of dispositions.

(a) *Fuel alcohol removed.* For fuel alcohol removed from the plant premises, the commercial record or other document required by § 19.997 constitutes the required record.

(b) *Spirits transferred.* For spirits transferred in bond (including transfers from small plants) to a distilled spirits plant qualified under subpart G of this part or to another alcohol fuel plant, the commercial invoice or other document required by §§ 19.508 and 19.999 constitutes the required record.

(c) *Other dispositions.* For spirits or fuel alcohol used or otherwise disposed of (e.g., lost, destroyed, redistilled) on the premises of the alcohol fuel plant, the proprietor shall maintain a record as follows:

(1) The quantity of spirits (in proof gallons) or fuel alcohol (in gallons) and the date of disposition; and,

(2) The purpose for which used or the nature of the other disposition.

(d) *Separate records.* Records for dispositions of fuel alcohol and spirits will be maintained separately.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207); sec. 232, Pub. L. 96-223, 94 Stat. 278 (26 U.S.C. 5181))

### § 19.987 Maintenance and retention of records.

The proprietor shall retain at the plant where an operation or transaction occurs the records required by

this subpart for a period of not less than three years from the date thereof or from the date of the last entry made thereon, whichever is later. Whenever any record because of its condition becomes unsuitable for its intended or continued use the proprietor shall reproduce the record by a process approved by the regional director (compliance) under the provisions of § 19.725. The records shall be available for inspection by any ATF officer during business hours. For records maintained on data processing equipment, the provisions of § 19.723 apply.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

#### § 19.988 Reports.

Each proprietor shall submit an annual report of their operations, Form 5110.75, for the calendar year ending December 31. The proprietor shall submit this report to the regional director (compliance) by January 30 following the end of the calendar year.

(Sec. 807, Pub. L. No. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

[T.D. ATF-327, 57 FR 32178, July 21, 1992]

#### REDISTILLATION

#### § 19.990 Redistillation of spirits or fuel alcohol received on the plant premises.

(a) *Receipts for redistillation.* Proprietors of alcohol fuel plants may receive and redistill spirits. Fuel alcohol may be received on the premises of an alcohol fuel plant for the recovery by redistillation of the spirits contained therein. Spirits and fuel alcohol received for redistillation will be identified as such and will be kept separate from other spirits and fuel alcohol on the premises until redistilled. Spirits originally produced by the plant and subsequently recovered by redistillation will not be included in determinations of plant size and bond amounts. Spirits originally produced at other plants and subsequently recovered by redistillation will be included in determinations of plant size and bond amounts.

(b) *Recordkeeping.* (1) The proprietor shall record in a separate record the following information for spirits and fuel alcohol received for redistillation.

- (i) Date received;
- (ii) Whether fuel alcohol or spirits;
- (iii) Quantity received;
- (iv) From whom received;
- (v) Reason for redistillation;
- (vi) Date redistilled; and
- (vii) Quantity of spirits recovered by redistillation.

(2) The proprietor's commercial record required for spirits by § 19.999 or for fuel alcohol by § 19.997 and any other commercial record received covering spirits or fuel alcohol to be redistilled will be filed separately from other records. These records may be used in lieu of the record required by paragraph (b)(1) of this section when any missing information required to be shown has been entered upon the commercial record by the proprietor.

(c) *Status.* Spirits recovered by redistillation will be treated the same as spirits which have not been redistilled. All provisions of this subpart and 26 U.S.C. Chapter 51 (including liability for tax) applicable to spirits when originally produced are applicable to spirits recovered by redistillation.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1365, as amended, 1370, as amended (26 U.S.C. 5223, 5243); sec. 232, Pub. L. 96-223, 94 Stat. 278 (26 U.S.C. 5181))

#### USES, WITHDRAWALS AND TRANSFERS

#### § 19.995 Use on premises.

Spirits may be used as a fuel on the premises of the alcohol fuel plant at which produced and need not be rendered unfit for beverage use. Proprietors using spirits on the plant premises shall keep the applicable records concerning such dispositions as provided in § 19.986(c).

(Sec. 232, Pub. L. 96-223, 94 Stat. 278, (26 U.S.C. 5181))

#### § 19.996 Withdrawal of spirits.

Before spirits may be withdrawn from the premises of an alcohol fuel plant, they must be rendered unfit for beverage use as provided in this subpart. Spirits rendered unfit for beverage use (fuel alcohol) may be withdrawn free of tax from plant premises exclusively for fuel use.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1362, as amended (26 U.S.C. 5214); sec. 232, Pub. L. 96-223, 94 Stat. 278 (26 U.S.C. 5181))